

TEACHERS' FUND FOR RETIREMENT
A Division of ND Retirement and Investment Office
Balance Sheet
As of 8/31/2002

10/2/2002

	As of <u>8-31-02</u>	As of <u>6-30-02</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 435,693,674	\$ 454,371,763
INTERNATIONAL EQUITIES	260,170,997	289,731,886
DOMESTIC FIXED INCOME	155,410,283	163,412,983
INTERNATIONAL FIXED INCOME	64,061,026	68,403,109
REAL ESTATE	107,050,401	105,982,182
VENTURE CAPITAL	46,378,783	40,322,264
INVESTED CASH (NOTE 1)	<u>6,231,466</u>	<u>25,684,813</u>
 TOTAL INVESTMENTS	 1,074,996,630	 1,147,909,000
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	5,457,351	5,409,970
CONTRIBUTIONS/ASSESSMENTS REC	981,805	5,783,738
MISCELLANEOUS RECEIVABLE	<u>1</u>	<u>74,534</u>
 TOTAL RECEIVABLES	 6,439,157	 11,268,242
 OTHER ASSETS		
OPERATING CASH (NOTE 2)	6,345,190	7,248,921
DUE FROM OTHER AGENCIES (NOTE 3)	<u>14,561</u>	<u>0</u>
 TOTAL ASSETS	 <u>\$ 1,087,795,538</u>	 <u>\$ 1,166,426,163</u>
 LIABILITIES:		
ACCOUNTS PAYABLE	798,910	827,630
ACCRUED EXPENSES	163,603	219,170
DUE TO OTHER AGENCIES (NOTE 4)	<u>0</u>	<u>9,798</u>
 TOTAL LIABILITIES	 962,513	 1,056,598
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,165,369,565	1,290,662,140
CASH IN DURING YEAR (NOTE 5)	18,940,000	118,154,000
CASH OUT DURING YEAR (NOTE 6)	18,940,000	118,154,000
NET INCREASE (DECREASE)	<u>(78,536,540)</u>	<u>(125,292,575)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>1,086,833,025</u>	 <u>1,165,369,565</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 1,087,795,538</u>	 <u>\$ 1,166,426,163</u>

TEACHERS' FUND FOR RETIREMENT
A Division of ND Retirement and Investment Office
Profit and Loss Statement
For the Month Ended 8/31/2002

10/2/2002

	Month Ended <u>8-31-02</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 1,885,500	\$ 6,804,815
SECURITIES LENDING INCOME	84,990	181,762
	<u>1,970,490</u>	<u>6,986,577</u>
 GAIN ON SALE OF INVESTMENTS	 18,861,109	 40,626,015
LOSS ON SALE OF INVESTMENTS	<u>25,367,591</u>	<u>57,845,812</u>
 NET GAINS (LOSSES) INVESTMENTS	 (6,506,482)	 (17,219,797)
 INVESTMENT EXPENSES	 485,928	 772,697
SECURITIES LENDING EXPENSES	67,822	134,446
SIB ADMINISTRATIVE EXPENSES	<u>11,135</u>	<u>20,334</u>
 NET INVESTMENT INCOME	 (5,100,877)	 (11,160,697)
 NET APPREC (DEPREC) MARKET VALUE	 10,821,562	 (60,098,951)
MISCELLANEOUS INCOME/(EXPENSE)	<u>274,838</u>	<u>3,195,976</u>
 TOTAL INVESTMENT INCOME	 5,995,523	 (68,063,672)
 CONTRIBUTIONS & ASSESSMENTS (NOTE 7)	 1,047,194	 1,707,635
PURCHASED SERVICE CREDIT (NOTE 8)	271,010	379,211
PENALTY & INTEREST (NOTE 9)	<u>0</u>	<u>0</u>
 TOTAL ADDITIONS	 <u>7,313,727</u>	 <u>(65,976,826)</u>
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 10)	6,022,596	12,050,821
REFUNDS TO MEMBER (NOTE 11)	<u>111,449</u>	<u>374,190</u>
 TOTAL BENEFITS PAID	 6,134,045	 12,425,011
 ADMINISTRATIVE EXPENSES		
RIO ADMINISTRATIVE CHARGE	76,015	133,347
MISCELLANEOUS EXPENSES	<u>0</u>	<u>1,356</u>
 TOTAL ADMINISTRATIVE EXPENSES	 <u>76,015</u>	 <u>134,703</u>
 TOTAL DEDUCTIONS	 <u>6,210,060</u>	 <u>12,559,714</u>
 NET INCREASE (DECREASE)	 <u>\$ 1,103,667</u>	 <u>\$ (78,536,540)</u>

TEACHERS' FUND FOR RETIREMENT
Notes To Financial Statements
August 31, 2002

10/2/2002

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 INVESTED CASH

Pension Cash Pool invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2 OPERATING CASH

TFFR money market and checking accounts at the Bank of North Dakota.

NOTE 3 DUE FROM OTHER AGENCIES

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4 DUE TO OTHER AGENCIES

Amounts owed to RIO for administrative and direct costs charged.

NOTE 5 CASH IN DURING YEAR

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 6 CASH OUT DURING YEAR

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 7 CONTRIBUTIONS & ASSESSMENTS

Assessments on teachers' salaries of 7.75 percent of salary plus a matching contribution paid by the employer unit, for a total contribution and assessment of 15.5 percent that must be remitted monthly.

NOTE 8 PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

TEACHERS' FUND FOR RETIREMENT
Notes to Financial Statements
8/31/2002

10/2/2002

NOTE 9

PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions and assessments.

NOTE 10

BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

NOTE 11

REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.